EXHIBIT 35

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

STATE OF MARYLAND; **STATE** OF DELAWARE; STATE OF CALIFORNIA; STATE OF COLORADO; STATE OF ARIZONA; STATE OF CONNECTICUT; DISTRICT OF COLUMBIA, STATE OF HAWAI'I; STATE OF ILLINOIS; OFFICE OF THE GOVERNOR ex rel. Andy Beshear, in his official capacity as Governor of the COMMONWEALTH OF KENTUCKY; STATE MAINE; COMMONWEALTH OF MASSACHUSETTS; PEOPLE OF THE STATE OF MICHIGAN; STATE OF MINNESOTA; STATE OF NEVADA; STATE OF NEW JERSEY; STATE OF NEW MEXICO; STATE OF NEW YORK; STATE OF NORTH CAROLINA; STATE OF OREGON; JOSH SHAPIRO, in his official capacity as Governor of the COMMONWEALTH OF PENNSYLVANIA; STATE OF RHODE ISLAND; STATE OF VERMONT; STATE OF WASHINGTON; STATE OF WISCONSIN;

Plaintiffs,

v.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, operating as AmeriCorps; and JENNIFER BASTRESS TAHMASEBI, in her official capacity as Interim Head of the Corporation for National and Community Service;

Defendants.

Civ. No. 25-cv-01363 (DLB)

<u>DECLARATION OF AMELIA ANDERSON, ACTING EXECUTIVE DIRECTOR,</u> PENNSERVE, PENNSYLVANIA DEPARTMENT OF LABOR AND INDUSTRY

Pursuant to 28 U.S.C. § 1746, I, Amelia Anderson, declare as follows:

- 1. I am a resident of the Commonwealth of Pennsylvania. I am over the age of 18 and have personal knowledge of all the facts stated herein, including as based on my experience and information provided to me. If called as a witness, I could and would testify competently to the matters set forth below.
- 2. I began my career as an AmeriCorps VISTA Member in 2001 at Keystone SMILES (current PennSERVE grantee) then remained with that organization in various roles before I joined PennSERVE. I have been employed by the Pennsylvania Department of Labor and Industry (PA DLI) since May 2022. I have served as Program Officer from May 9, 2022, through to June 5, 2023, and then as Assistant Director from June 6, 2023 to present. Since March 1, 2025, I have served as the Acting Executive Director of PennSERVE.
- 3. PennSERVE serves as Pennsylvania's state service commission, administering AmeriCorps State programs and promoting civic engagement across the Commonwealth. As Acting Executive Director of PennSERVE, I am responsible for overseeing the agency's operation, staff management, grantmaking, financial compliance, strategic planning, external affairs and Advisory Board coordination in line with federal and state laws.
- 4. PennSERVE recently received a termination notice from AmeriCorps terminating 26 of the 28 AmeriCorps-funded programs in the Commonwealth. As of April 25, 2025, the estimated remaining value of the terminated programs was approximately \$6,300,000. All programs were terminated with a single notice and attached spreadsheet for

"no longer effectuat[ing] agency priorities" rather than failure of PA DLI or subrecipients to follow the terms or conditions of the grants.

AmeriCorps/PennSERVE Programs Serve Thousands of Pennsylvanians Across the Commonwealth

- 5. Operating within the Pennsylvania Department of Labor and Industry,
 PennSERVE serves as Pennsylvania's designated state service commission and AmeriCorps'
 grantmaking pass-through. PennSERVE's mission is to expand and strengthen AmeriCorps
 programs that address critical challenges across the Commonwealth, including education,
 workforce development, environmental restoration, and disaster recovery. PennSERVE offers
 opportunities for organizations to establish and operate AmeriCorps programs that meet vital
 community needs in Pennsylvania. These programs harness the power of national service to
 address critical local challenges and focus on key areas such as economic opportunity,
 education, veterans, and military families.
- 6. Each year, PennSERVE allocates approximately \$16 million in federal funding from AmeriCorps to support AmeriCorps programs across the Commonwealth. PennSERVE plays a vital role in the development and successful implementation of these programs by offering targeted training, technical assistance, and diligent monitoring. Additionally, PennSERVE regularly convenes AmeriCorps program staff and Members, fostering a community of shared learning and celebrating the spirit of service that defines Pennsylvania.
- 7. PennSERVE administers six federal grants; four of these grants are operational pass-through grants (PHA, Competitive, Formula, and Fixed). The other 2 grants are administrative (Commission Support Grant and Commission Investment Fund) which are used

for agency operations and capacity building. The four pass-through grants support 28

AmeriCorps programs across Pennsylvania; 23 of these programs host AmeriCorps Members,
5 are planning grants that do not have members. PennSERVE's 23 operational programs
operate at 261 active sites across 41 counties in Pennsylvania.

- 8. PennsERVE has had approximately 894 AmeriCorps Members serving in Pennsylvania this grant year, and the final total of AmeriCorps members serving in the 2024-2025 program year is expected to be over 1,000 Members, as many programs recruit spring and summer cohorts. AmeriCorps Members receive a regular living stipend during their service as well as access to certain other benefits, which are possible due to the grants provided by AmeriCorps.
- 9. Additionally, these 28 subrecipient programs currently have approximately 137 staff members who are either fully or partially funded by AmeriCorps dollars.
- 10. The current AmeriCorps programs have already made substantial contributions on behalf of Pennsylvanians across the Commonwealth. For example, between July 2024-January 2025: 209 schools benefited from direct AmeriCorps support, including tutoring and mentoring, and 40,146 children and youth received supportive services; 1,152 community volunteers were recruited, trained, and coordinated, contributing over 19,400 hours of service; 1,458 individuals received job readiness or skills training to strengthen local economies; 110 veterans and 40 veteran family members were supported through targeted service projects; and 242 acres of public land were restored or maintained, bolstering Pennsylvania's community assets.

AmeriCorps' Sudden and Unexplained Termination of Most of Pennsylvania's AmeriCorps/PennSERVE Programs

- 11. On April 25, 2025, without any prior notice or indication from AmeriCorps,
 AmeriCorps informed PennSERVE via email at 6:55pm that 26 of the 28 AmeriCorps
 programs administered by PennSERVE were being terminated. A true and correct copy of this
 termination email with original attachments is attached as Exhibit 1 (Anderson).
- 12. The termination email stated that "[e]ffective immediately, the AmeriCorps award subrecipient(s) included in the attached spreadsheet is/are being terminated per 2 CFR 200.340(a)(4) because it has been determined that the award no longer effectuates agency priorities. You must immediately cease all award activities. This is a final agency action and is not administratively appealable."
- 13. The termination email further stated that the "provisions at 2 CFR 200.343 Effects of Suspension and Termination apply. This process ensures the equitable settlement of costs, proper disposition of government property, and mitigation of negative impacts on stakeholders. AmeriCorps staff will initiate an amendment to change the end date of the period of performance effective immediately."
- 14. The notice then directed PennSERVE to "immediately notify subrecipients and/or community partners, if applicable, and initiate your internal termination and closeout procedures."
- 15. As of April 25, 2025, the estimated remaining value of the terminated awards for the 26 programs was approximately \$6,300,000.
 - 16. PennSERVE has fielded numerous inquiries from non-profit organizational

staff and other stakeholders affected by this shocking large-scale termination. They were confused and concerned by AmeriCorps' unprecedented mass termination of grants, and had many questions about funding, what options there may be for their dedicated and hardworking AmeriCorps Members, and whether and how the services they provide to Pennsylvania communities could survive.

- 17. PennSERVE and all 26 subrecipients relied and acted upon the expectation and understanding that AmeriCorps would fulfill its grant commitments and continue to provide the funding it had obligated itself to for the duration of the grants.
- 18. Prior to the grant award termination on April 25, 2025, AmeriCorps had never provided PennSERVE with notice, written or otherwise, that these programs were in any way unsatisfactory.

Resultant Harm from AmeriCorps' Blanket Termination of Grants

- 19. Pennsylvania will see real harms from these sudden program terminations.

 These programs are critical to the well-being of many Pennsylvanians, serving communities across Pennsylvania in alignment with AmeriCorps' stated goals under the terms and conditions of their grants.
- 20. Twenty-six local service programs will immediately lose access to approximately \$6,300,000 in federal reimbursement funds that were appropriated and expected. As a result, some or all of these programs may be forced to cease operations, affecting organizations that have responsibly managed taxpayer dollars to provide vital

community services. These organizations include government and/or government-related institutions such as the City of Philadelphia, University of Pittsburgh of the Commonwealth System of Higher Education, Appalachia Intermediate Unit 8, and County of Allegheny and affected non-profit partners include National Nurse-Led Care Consortium, Butler Healthcare Providers, United Way of the Greater Lehigh Valley, Lycoming-Clinton Counties Commission for Community Action, Inc., Boys & Girls Clubs of Western Pennsylvania, Pratyush Sinha Foundation, Michael's Community Services Corporation, , CASA, Inc., Olivet Boys and Girls Club of Reading & Berks County, Union-Snyder Community Action, The Foundation for Delaware County, Homewood Children's Village, Trustees of the University of Pennsylvania, Communities in Schools of Philadelphia, ArtistYear, Keystone Smiles Community Center, City Year, Joyful Readers, Literacy Pittsburgh, Up2Us, Inc. and Teach for America.

21. Regarding AmeriCorps Members, there have been approximately 894 individuals serving at over 250 host sites across Pennsylvania during this grant year, with approximately 655 Members currently serving who will be forced to end their service. Members will lose living stipends, healthcare, childcare assistance, and professional development opportunities that they rely on. Many may face urgent and unexpected financial challenges, particularly those who relocated for service or who serve in economically distressed areas. Additionally, Members will either lose eligibility for or receive a prorated amount of the Segal AmeriCorps Education Awards they had been earning to pursue higher education or pay down student loan debt — a core incentive intended to strengthen America's

workforce. These Members are not eligible for unemployment benefits.

- 22. Approximately 137 nonprofit and community-based organization staff positions are also at risk, as many organizations will lack the funding to sustain these vital jobs without AmeriCorps support.
- 23. PennSERVE is also sustaining administrative costs and burdens. Instead of my usual duties overseeing grants, programs, and compliance and promoting civic engagement across the Commonwealth, my team and I are singularly focused on managing the fallout from this unexpected and unprecedented situation. We have been working around-the-clock in close consultation with our agency and Commonwealth leadership, as well as staying in very close communication with grantees in order to answer a multitude of questions.
- 24. Moreover, I have been unable to communicate with any AmeriCorps staff over the phone since receiving the termination email. I have tried to contact AmeriCorps staff via email and phone and have been unable to reach anyone to answer or return my messages. In the past, I have regularly been able to speak with AmeriCorps staff to receive information and guidance.
- 25. PennSERVE was not given any advance notice or opportunity to comment on these actions, but if we had been given the chance, we would have strenuously opposed terminating these grants.
- 26. I believe that abruptly ending AmeriCorps programming creates a broad community impact, disrupting important relationships built between Members and the Pennsylvanians they serve. In many schools, AmeriCorps Members provided consistent

tutoring and mentoring for students needing extra help. In struggling communities,

AmeriCorps Members supported job seekers, veterans, and families facing food insecurity. In
rural and urban areas alike, AmeriCorps Members strengthened local efforts that government
alone cannot meet.

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- 27. The termination of these programs not only disrupts the lives of service

 Members—many of whom were seeking to build careers through service—but leaves critical
 community needs unmet, imposes unexpected costs on local organizations and government
 entities, and dismantles service pipelines that have strengthened Pennsylvania's workforce and
 civic life for decades.
- Across rural and urban areas, the absence of AmeriCorps Members who serve kindergarteners, veterans, senior citizens, and thousands of other Pennsylvanians will be felt deeply. Among Philadelphia-area schools alone, about 300 Philadelphia-area classrooms will be without classroom support; in rural Appalachian counties, students will no longer have their tutors; and veterans in Butler County will be without Members with whom they have built trusting relationships. For these programs and many others, government entities will have to try to fill the gaps that will be left, putting additional stress and financial pressure on already overtaxed systems.
- 29. Additionally, the breadth of programs supported by AmeriCorps reflect a very intentional prioritization by PennSERVE. Pennsylvania is a large Commonwealth with extraordinarily complex needs, and these programs serve Pennsylvanians from rural Appalachia to inner-city Philadelphia, providing services from water testing to veteran support

to literacy tutoring to job readiness training. PennSERVE exercised its discretion and deep knowledge of the Commonwealth's needs to fund programs that would have maximum impact on Pennsylvanians' priorities.

- 30. It is my understanding that the National and Community Service Act of 1990 and implementing AmeriCorps regulations permit termination only for noncompliance. 42 U.S.C. § 12626; 45 CFR § 2540.400. During my 24-year tenure working in various capacities with the AmeriCorps and/or PennSERVE programs, I have never seen or heard of grant terminations happening in this manner or on this scale.
- 31. PennSERVE and its grantees relied on the representations from AmeriCorps that these programs would be funded throughout the grant year. Understandably, PennSERVE has been fielding multiple questions about what can be expected regarding opportunities for next year and beyond. Defendants' abrupt and broad-based actions have created uncertainty moving forward and have broken the trust that has existed for decades that monies appropriated and granted will be honored.
- 32. Allowing AmeriCorps to arbitrarily rescind these grants and in effect cancel these programs because they vaguely no longer "effectuate agency priorities" (while these programs demonstrably embody longstanding AmeriCorps priorities) will cause irreparable harm to the Pennsylvanians who are serving as AmeriCorps Members and the thousands of Pennsylvanians relying on the services those Members and their organizations provide.

I declare under penalty of perjury under the laws of the United States that, to the best of my knowledge, the foregoing is true and correct.

Executed on May 5, 2025, at Clarion, Pennsylvania.

Amelia Anderson

Acting Executive Director,

PennSERVE

Pennsylvania Department of Labor

and Industry

EXHIBIT 1

DECLARATION OF A. ANDERSON, ACTING EXECUTIVE DIRECTOR, PENNSERVE

(PA)

[External] Termination Notice of AmeriCorps Award

From AmeriCorpsAwardAction < AmeriCorpsAwardAction@americorps.gov >

Date Fri 4/25/2025 6:55 PM

To Anderson, Amy <a @pa.gov>

Cc AmeriCorpsAwardAction < AmeriCorpsAwardAction@americorps.gov >

1 attachment (21 KB)

PA_Commission.xlsx;

ATTENTION: This email message is from an external sender. Do not open links or attachments from unknown senders. To report suspicious email, use the <u>Report Phishing button in Outlook</u>.

Amelia Anderson
DEPARTMENT OF LABOR & INDUSTRY PA
1700 Labor And Industry Bldg
Harrisburg
PA, 17120

RE: Grant Termination

Dear AmeriCorps Award Recipient:

Effective immediately, the AmeriCorps award subrecipient(s) included in the attached spreadsheet is/are being terminated per 2 CFR 200.340(a)(4) because it has been determined that the award no longer effectuates agency priorities. You must immediately cease all award activities. This is a final agency action and is not administratively appealable.

The provisions at <u>2 CFR 200.343 – Effects of Suspension and Termination</u> apply. This process ensures the equitable settlement of costs, proper disposition of government property, and mitigation of negative impacts on stakeholders. AmeriCorps staff will initiate an amendment to change the end date of the period of performance effective immediately.

Please immediately notify subrecipients and/or community partners, if applicable, and initiate your internal termination and closeout procedures.

Please review <u>Closeout Instructions for Grantees</u> to close out this Federal award within 120 days. Please note, there are some close-out actions that indicate that you must submit information to your portfolio manager. Instead of submitting to those individuals, you must instead submit to the following regional mailboxes:

- MidAtlantic@americorps.gov (DC, DE, MD, NJ, PA, PR, VA, VI, WV)
- Midwest@americorps.gov (IL, IN, KY, MI, OH)
- Mountain@americorps.gov (AZ, CO, ID, MT, NM, UT, WY)
- NorthCentral@americorps.gov (IA, MN, WI, ND, SD, NE, KS, MO)
- Northeast@americorps.gov (CT, MA, ME, NH, NY, RI, VT)

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- SouthCentral@americorps.gov (AR, LA, MS, OK, TX)
- Southeast@americorps.gov (AL, FL, GA, NC, SC, TN)
- West@americorps.gov (AK, AS, CA, CNMI, GU, HI, NV, OR, WA)

Costs after termination are allowable if:

- (a) The costs result from financial obligations which were properly incurred before the effective date of termination, and
- (b) costs are for necessary and reasonable termination and closeout activities.

Please follow the program specific instructions below, based on the type of award that is being terminated.

AmeriCorps State and National

State commissions and prime grantees should immediately notify subgrantees, operating sites, and members and follow grant close-out procedures. All member activities should cease immediately. Members should be exited for compelling personal circumstances (CPC). The program should document that the member was exited for compelling personal circumstances due to the agency's termination of the grant and program closure. If possible, the program should try to have the member transferred to another program. If this is not possible, the program should note in the CPC documentation that member reassignment was not an option.

Jennifer Bastress Tahmasebi Interim Agency Head